

UNITED STATES ENVIRONMENTAL PROTECTION AGENCY

REGION 8
999 18TH STREET - SUITE 300
DENVER, CO 80202-2466
Phone 800-227-8917
http://www.epa.gov/region08

May 12, 2003

Ref: 8EPR-SR

John and Debbie Loomis 30 Parmenter Drive Libby, MT 59923

Dear Mr. And Mrs. Loomis:

As we discussed several weeks ago, EPA has determined that the only cost-effective and protective way we can clean up your home is to remove any contaminated soils and demolish the building. We consider demolition of the building necessary due primarily to the large volume of friable vermiculite-containing plaster present throughout the home. I realize this is an extremely difficult and painful circumstance for you and we will do everything we can to make the process as easy and fair as possible. It is possible that this decision will change based upon new information, but at this point EPA sees no viable alternative.

There are two basic options available to us in this situation, and neither is perfect. Ultimately, you will have to decide which option is preferable to you. First, we can reach a settlement which compensates you for the fair market value of the structure (not the entire property, as we can and will clean the soils). You would receive a monetary payment from EPA with which you could do anything you choose, including rebuilding the home how and where you see fit. The fair market value is based on the appraised value of the structure as dictated by its current condition and market conditions. I must stress that this is not the replacement value of the structure - the cost it would take to rebuild a new comparable structure. In all likelihood, the fair market value will be less than the replacement value. This option is preferable to EPA for several reasons but may not be preferable to you. Second, EPA can rebuild the structure. In this case, after we clean up the soils of the property, we would rebuild a "similar" structure in its current location. This work would be done by contractors retained by EPA which would likely not be contractors of your choosing. We will work with you on the design of the property, but likely will not be able to accommodate all of your wishes for reconstruction. In our experience, even with the best of intentions, this type of arrangement is sometimes difficult and can lead to unfulfilled expectations. In either case, we will provide for temporary relocation for a reasonable time until you have somewhere to live.

EPA is currently awarding a contract for certified appraisal services. Once this contract is finalized in the next few weeks, we will conduct an appraisal of your home. We cannot pay for an appraiser of your choice, though I do recommend you have your own appraisal done so you

have a reference to compare to our value. An appraisal is a crucial first step whether we rebuild the home or compensate you. We will contact you soon regarding an appraisal. In the meantime, I urge you to consider and explore these options on your own. Our intention is still to conduct this work during 2003.

Again, I am sorry for the inconvenience this will cause, but the most important thing is to get you into a safe home. If you have any questions, please feel free to contact me at the EPA Information Center at 293-6194 or at my office in Denver at (303) 312-6748.

Sincerely,

Jim Christiansen

Superfund Project Manager